9 June 2008

Original: English

**Annual session 2008**
16 to 27 June 2008, Geneva
Item 7 of the provisional agenda
**Field visits**

# Report of the field visit of the Executive Board of UNDP/UNFPA to Kazakhstan (6 to 12 April to 2008)*

## Contents


| *Chapter* | | *Page* |
|---|---|---|
| I. | Introduction | 2 |
| II. | Background | 2 |
| III. | The role of the United Nations in Kazakhstan | 3 |
| IV. | Key findings and observations | 4 |
| V. | Conclusions and recommendations | 6 |
| | Annexes | |
| | 1. List of participants | 8 |
| | 2. List of projects visited and meetings attended | 9 |


*The compilation of data required to provide the Executive Board with the most current information has delayed submission of the present report.

08-37361 (E) 160608

# I. Introduction

1. A delegation of 9 members from the UNDP/UNFPA Executive Board participated in a field visit to Kazakhstan from 6-12 April 2008. The aim was to allow the Board members to observe operations and programmes of UNDP and UNFPA first hand and at the country level so as to gain insight into the contributions made and challenges faced by the organizations in assisting Kazakhstan in its efforts to reach national sustainable development goals, internationally-agreed development goals and the Millennium Development Goals.

2. The visit gave the members an opportunity to attain a more lucid understanding of United Nations system-wide issues, including inter-organization collaboration and coordination; joint programming; United Nations reform (harmonization, simplification, and the resident coordinator system); South-South cooperation; donor coordination and partnerships with civil society; the private sector; and multilateral and bilateral agencies. It also enabled the visitors to take a deeper look at the inner workings of United Nations Country Team.

3. The field visit consisted of: (a) briefings with the United Nations Resident Coordinator/UNDP Resident Representative, the UNFPA Country Director, and the staff of both organizations; (b) meetings with the deputy Minister of Foreign Affairs, other ministers and government officials at the central and local levels; (c) meetings with representatives of the private sector and civil society; (d) on-site visits to projects in two oblasts of Kazakhstan; and (e) a press briefing.

4. The delegation wishes to thank the Government and people of Kazakhstan sincerely for bringing about the visit, and particularly for the fruitful and informative discussions. The delegation would also like to express its deep appreciation to the United Nations staff in Kazakhstan for their dedication and excellent organization of the trip, as well as for their valuable input to the discussions.

# II. Background

5. With 2,727,300 square kilometers of land, Kazakhstan is the largest landlocked country in the world and the ninth-largest overall. It is bordered by China, Kyrgyzstan, Russia, Turkmenistan and Uzbekistan, as well as the Caspian Sea. Kazakhstan also has the 62nd-largest population in the world, at 15.56 million people – giving it a population density of about 5.5 people per square kilometre.

6. Because of its vastness, Kazakhstan's terrain is very diverse, featuring flatlands, steppes, taigas, rocky canyons, hills, deltas, mountains and deserts. The country possesses considerable mineral wealth and arable land. Kazakhstan inherited a substantial portion of its infrastructure from the Soviet era, and has a relatively educated population. The economic opportunities are immense. Numerous resources, the projected expansion of oil production, a wealth of other natural resources, strong oil prices and a responsible macroeconomic policy (among other policy improvements) are expected to lead Kazakhstan to a promising economic future. At the same time, the country faces significant risks; in the short and medium term (maintaining macroeconomic and financial sector stability) and in the long term (the rapid development of the oil sector could complicate diversification). The budding mineral and petroleum resources are not yet providing adequate opportunities for low-income families, especially in rural regions.

7. Kazakhstan is a middle-income country with an estimated gross national income per person of $5,010 in 2007. The Government estimated that gross domestic product per capita in 2007 was $6,700. The country ranks 73rd in the 2007-2008 Human Development Report, with a human development index score of .794, up six places since the previous report. Despite an expected increase in income per person, some inequalities persist. In 2006, the poverty headcount ratio was estimated to be 18 per cent of the overall population; however, poverty rates exceeded 37 per cent in Kyzylorda and 25 per cent in two other oblasts. In oil-rich Mangistau oblast, rural poverty alone was over 63 per cent that year. About 40 per cent of Kazakh incomes are above 1 but less than 2 dollars a day, putting people at high risk of falling into poverty. The country has some of the lowest social indicators in the entire region (access to safe drinking water, incidence of tuberculosis, the rapid spread of HIV/AIDS, etc.).

8. Kazakhstan has honed its own 2030 strategy framework, which outlines seven major development goals. The long-term frameworks are maintained through short- and medium-term action plans – this year, the Government introduced new three-year resource planning frameworks to link the priorities with its budget. In addition, Kazakhstan is seeking to join the group of 50 countries with the most competitive economies in the world; its rating on the Global Competitiveness Index of the World Economic Forum was 61 last year, the worst indicators being quality of institutions, health, and primary education.

9. Finally, while certain aspects of the environmental situation of Kazakhstan are improving, the country is confronting many challenges in this area, such as industrial pollution, land degradation and desertification, and the nuclear heritage of the former Semipalatinsk polygon.

## III. The role of the United Nations in Kazakhstan

10. There are 12 United Nations agencies, funds and specialized programmes in Kazakhstan at present. Although during the early days of independence the United Nations offices focused principally on the humanitarian needs of Kazakhs, most of United Nations work has since evolved to focus on technical assistance and capacity-building. United Nations organizations have aided in the drafting of legislation and programmes supporting macroeconomic reform, social issues, and improving health and environmental management; this includes the 'Kazakhstan 2030' strategy. Collectively, technical assistance programmes cost the organizations around $10 million a year.

11. A major instrument used by the United Nations country team for programme planning in Kazakhstan is the United Nations Development Programme (UNDAF) which is designed to align the work of the United Nations with national development priorities. The present UNDAF focuses on three areas of cooperation: creating pro-poor policies, enhancing the quality of life for all, and improving governance and participation. This year, the country team in Kazakhstan will begin preparing the UNDAF for the next programming cycle, 2010-2015.

12. Many organizations work on joint programmes addressing major issues. One such programme is 'Enhancing Human Security in the Former Nuclear Test Site of Semipalatinsk' which is implemented jointly by UNDP, UNFPA, the United Nations Children's Fund (UNICEF), and the United Nations Volunteers

(UNV) programme. The goal of the programme is to counteract the health, environment, and social consequences of the 468 nuclear tests conducted during the Cold War. Another joint project combines the forces of UNAIDS, UNDP, the United Nations Educational, Scientific and Cultural Organization, UNFPA, UNICEF, the World Health Organization, and non-Governmental partners, to address HIV/AIDS in the South Kazakhstan oblast. This particular region suffered a nosocomial HIV outbreak in 2006 when several hospitals violated safe blood transfusion rules and sanitary epidemiological regimes, causing HIV disease in 149 children and 17 of their mothers. The project succeeds through three stages: providing urgent assistance, supporting an AIDS counteraction programme at the medium term, and following through with ongoing support.

13. In particular, UNDP in Kazakhstan aims to balance the development of the country by addressing several problem areas. One daunting challenge is that of restoring the environment in affected areas, which is becoming increasingly difficult due to the effects of climate change. For example, the consequences of nuclear weapons testing in eastern Kazakhstan, which ceased twenty years ago, require continuous observation and analysis. UNDP is playing a leading role among donors in this and other environmentally-related situations.

14. In the area of technical assistance, UNDP is seen by the Government of Kazakhstan as being a unique source of experience and advice, rather than a source of finances. Overall, the Government does not view the United Nations development system as a significant financial donor; although there remains an expectation that it continue to provide its share of funding, since the demand for financial support is still strong in many areas. The Government recognizes that the value of the United Nations system lies in its efforts in the field of capacity-building and -development for social sector reform through improved services; its work to strengthen institutions such as parliament and the legal system and to develop human resources; its work towards sustainable development; its efforts to enhance the collection of specific statistics and research data; and its focus on the quality of family planning and gender.

15. An imperative task for UNDP – and UNFPA even more so – is advocacy and awareness-raising. The field visit demonstrated to the delegation that considerable progress has already been accomplished. For example, during the past three years there has not been a single case of maternal mortality in the Perinatal Centre of the Southern Kazakhstan oblast, a UNFPA pilot institution where new standards of maternal care were introduced. For the last five years, maternal mortality at the oblast level was reduced by 20 per cent in comparison with the previous five-year period. Concurrently, the non-governmental organization 'Women's Business Association' successfully worked hand in hand with UNFPA in raising awareness on the issue of reproductive health. UNFPA support is still needed to secure appropriate materials, especially when targeting a specific age or gender group (as was the case with this project). Such success stories could suitably be used as a model for other regions of Kazakhstan.

# IV. Key findings and observations

16. ***National ownership and leadership.*** A strong sense of national ownership and leadership was apparent from the team's meetings with the national and local authorities. The Government is deeply involved in identifying the areas of need in which the UNDP and UNFPA could do the most effective work, as well as prioritizing development goals in each of those areas.

17. *Strengthening national capacities*. One of the core expectations of the Government is for UNDP to contribute to the country's development through strengthening national capacities (including by providing technical assistance), especially in the area of social reform. The underlying vision is that, beyond the provision of broad policy guidance, UNDP should carry out programmes based on concrete, practical dimensions. It is worth mentioning that this particular sentiment was shared by the representatives of non-governmental organization met by the team. It is apparent that, with the joint efforts of UNDP, UNFPA, and the Government, training at the national, regional, and local levels is already advancing capacity-building at an impressive pace. It is critical to focus on training civil servants, as the shortage of skilled and educated workers is very apparent. This is also particularly true with medical personnel and in the oil processing industry. These labor issues are aggravated by the additional factor that the work force entering the job market in the next 10 years will be relatively small due to low birth rates in the 1990s. Efforts being undertaken by the Government to ameliorate the problem include the establishment of training centres. This may improve the situation in the long run, but measures towards short-term solutions are needed too.

18. ***Mobilization of national and international resources.*** The United Nations country team acknowledges that having a balance between core and non-core funding is an important element for ensuring stability. After evaluating at the ground level, the team concluded that the predictability of resources can definitely affect the performance and long-term scope of the work of UNDP. Even so, the Executive Board was encouraged by the observation that the United Nations development system non-core resources had been supplied on a moderately stable basis over recent years. Notably, the government has accepted the importance of co-financing, begun to co-finance some projects on a small scale and is expected to increase its provision of resources substantially under the next UNDAF programme. It is also clear that the United Nations system in Kazakhstan still needs significant financial support, given the scope of its work.

19. ***Regional, south-south cooperation and partnerships.*** The Government of Kazakhstan is pursuing support for regional cooperation, participating actively in different regional and subregional cooperation and integration organizations and initiatives, with a particular interest in trans-boundary work with neighboring countries, including in the areas of trade; transport and other infrastructure; migration; sustainable development; and, especially, measures to address water and energy issues. For their part, non-governmental organizations are interested in finding ways to exchange on-the-ground experiences and knowledge at the regional and international levels. One encouraging example of a successful partnership with private companies was observed in the village of Kok-Ozek, where the goal is to facilitate access to safe drinking water. This kind of first step is a momentous one. In the future, UNDP should nurture such projects, which involve the whole community. Fostering the growth and momentum of such partnerships is key to achieving more success stories.

20. ***Sustainable development issues***. The Government of Kazakhstan pays great and increasing attention to the sustainable development challenges linked to the increasing production and extraction of natural resources, as well as to issues such as climate change, for example. The establishment of the Sustainable Development Council under the Prime-Minister, and the 2007 adoption of the forward-looking and rigorous 'Concept of Transition to Sustainable Development by Year 2024' – elaborated with the assistance of UNDP – have enhanced the strategic focus of Government work in this sphere by, *inter alia*, integrating economic, social and

environmental considerations within its development policies. Still, a number of environmental challenges persist. Among them are loss of biodiversity, environmental pollution, and a water deficit in some areas. UNDP, in collaboration with the national and international partners, including other United Nations family organizations and the Global Environment Facility, is active in assisting Kazakhstan to overcome these problems.

21. Despite tremendous achievements over the past few years in the economic and socio-economic fields, poverty is still visible in Kazakhstan, especially in rural areas and smaller cities. In last 10 years, the Government has significantly increased financial support for the socio-economic needs of the people. On the other hand, the percentage of the funds allocated to health and education in the budget remains the same. It should be noted that, for the sustainable development of the country, these allocations should be increased. Only better-educated and healthier people can lead the country towards more prosperity. It should also be noted that the decision by some donors to begin withdrawing funds from Kazakhstan is premature. Although Kazakhstan has become a high middle-income country, development of much-needed services for the people is still far from that level. This is the most significant reason for the continuing UNDP AND UNFPA presence in the country.

22. Specifically, addressing the multidimensional and enduring consequences of 40 years of underground and atmospheric testing of nuclear weapons, in the region of Semipalatinsk, poses significant sustainable development challenges and represents an absolutely relevant field for the work of UNDP/UNFPA in Kazakhstan. Among some of the main challenges are: the provision of quality health services for the population presenting with radiation-related pathologies; the ecological rehabilitation of the environment; and the continuous restoration of the social and economic conditions affected by the closure of the test site and the disintegration of supporting industries. This difficult situation, which has been recognized by the General Assembly in various resolutions (55/44, 57/101 and 60/216), implies the need for the long-term stability of current sustainable development programmes and projects in the region, as well as the importance of the continuity of international cooperation in this regard. Due to the enormous size of the area affected around the site, active international assistance to Kazakhstan will obviously remain needed over the long term.

# V. Conclusions and recommendations

23. Regarding the relationship between the principal United Nations organizations in Kazakhstan and the national authorities, the work of the country team appears to be highly regarded by the Government. In spite of the fact that, since the 1990s, the overall economic condition of the country has evolved tremendously, the Government is of the opinion that United Nations assistance is still valuable to Kazakhstan. For that reason, the Government is making sincere efforts towards supporting United Nations work, including ongoing efforts to provide the organization with adequate quarters to house its offices in Astana and Almaty.

24. UNDP and UNFPA must continue their ventures in Kazakhstan. Considering the work accomplished in the past several years, the United Nations system should alter the focus of some of its activities in certain areas. For example, much has been achieved in the area of statistics; the Government now has the ability to process data and use it in an apposite manner. UNDP and UNFPA can

now contribute more refined counsel in more specific areas of data collection, such as those related to migration and demographics.

25. UNDP must increase its attention towards micro-financing, jointly with the Government of Kazakhstan. Microfinance is a particularly compelling issue, as it has the potential to advance economic development *and* play an empowering social role. It should be noted that in some cases, UNDP efforts to meet a target in this regard is not fulfilled, due to the inability of the Kazakhs to afford further upgrades.

26. In the field, ambitions set by the President and the Government of Kazakhstan must be upheld, and the rule of law must be respected at all times. The delegation formed the impression that a great deal of consideration needs to be taken of this matter, since the rule of law represents the backbone of society. With that in mind, UNDP should endeavor to back government projects.

27. The regional expertise of UNDP, UNFPA and other United Nations country team members could be relevant to enhancing the capacity of Kazakhstan in the context of regional economic cooperation and integration. The country team should pay special attention to the implementation of the resolutions recently adopted by the General Assembly on cooperation between the United Nations and regional organizations of which Kazakhstan is a member.

## Annex 1. List of participants

**UNDP/UNFPA Executive Board field visit to Kazakhstan, April 2008**

| | | |
|---|---|---|
| **African States** | | **Previous visit(s)** |
| Malawi | Ms. Roselyn Makhumula<br>Minister<br>Deputy Permanent Representative | |
| Benin | Ms. Fernande Afiavi Houngbedji<br>Second Counsellor<br>Permanent Mission | JFV to Liberia<br>(March 2007) |
| **Asian and Pacific States** | | |
| China | Ms. Guohua Sai<br>First Secretary<br>Permanent Mission | |
| Pakistan | Mr. Muhammad Ayub<br>First Secretary<br>Permanent Mission | |
| **Latin American & Caribbean States** | | |
| Colombia | Mr. Juan Rengifo Borrero<br>Second Secretary<br>Permanent Mission | |
| Haiti | H.E. Ms. Marie L. Péan-Mevs<br>Ambassador<br>Deputy Permanent Representative | |
| **Eastern European States** | | |
| Serbia | Mr. Dragan Micic<br>First Secretary<br>Permanent Mission | |
| Russian Federation | Mr. Denis Piminov<br>Second Secretary<br>Permanent Mission | FV to U.R. of Tanzania<br>(May 2006)<br>JFV to Liberia (March 2007) |
| **Western European and other States** | | |
| United States | Mr. Robert Simpson<br>Country Officer<br>USAID | (Based in Kazakhstan) |

***Note:*** The team was accompanied by Ms. Rekha Thapa (Nepal), Secretary of the Executive Board, and Mr. Kwabena Osei-Danquah (Ghana), Chief, UNFPA Executive Board and External Relations Branch.

## Annex 2. Meetings attended and officials met

| Monday, April 7 | Activity | |
|---|---|---|
| | Meeting with Mrs. Tamara Duisenova, Executive Secretary of the Ministry of Labour and Social Protection | |
| | **Group 1** | **Group 2** |
| | Meeting with Mr. Kadyr Omarov, Deputy Minister of Health | Meeting with Mr. Marat Kusainov, Deputy Minister of Economy and Budget Planning, and Mr. Serik Nugerbekov, President of the Institute for Economic Research |
| | Meeting with Mrs. Gulshara Abdykalikova, Chair of the Commission of Family Affairs and Gender | Meeting with Mrs. Hafiza Uteulina, Executive Director of Sustainable Development Fund "Kazyna" |
| | Meeting with H.E. Mr. Orinbayev, Deputy Prime Minister, House of the Government | Meeting with Mr. Nurlan Iskakov, Minister of Environment |
| | Meeting with Mr. Nurlan Danenov, Deputy Minister of Foreign Affairs | |

| Tuesday, April 8 | Group 1 | Group 2 |
|---|---|---|
| | Meeting with Ms. Kusmangalieva, Director of the Institute for Parliamentary Development | Visit to Semey (formerly Semipalatinsk) |
| | Meeting with Mr. Gabidulla Abdrakhimov, Chair of the Agency for Civil Service | |
| | Meeting with Mr. Tursunov, Chair of the Human Rights Commission | Meeting with Mr. Meiramkhat Ainabekov, Akim of Semey city, and local authorities |
| | Meeting with Ms. Anan Meshimbaeva, Chairman and Mr. Yuri Shokamanov, State Secretary of the Agency of Statistics | Visit to Diagnostic Centre |
| | | Meeting with NGO "Istok" |
| | Meeting with Mr. Igor Koval, National Project Director for three UNDP Projects on Environment and Forestry Committee, House of the Ministries | Meeting with microcredit organization "Bereke" |

| | | |
|---|---|---|
| | | Visit to school for children with eyesight disability |
| | | Visit to retirement and disabled home |

| | Group 1 | Group 2 |
|---|---|---|
| **Wednesday, April 9** | | |
| | Visit to Shymkent, SN | |
| | Meeting with Mr. Maimakov, Director of Department of Health of South-Kazakhstan Oblast | Meetings with NGOs |
| | Meeting with the Akim of Oblast | |
| | Observation of the work and antenatal care of Maternity House No. 4 | |
| | Visit to Youth Friendly Clinic | |
| | Meeting in the office of Business Women's Association of the Southern Kazakhstan, and with other NGOs | |

| | Group 1 | Group 2 |
|---|---|---|
| **Thursday, April 10** | | |
| | Visiting to UNDP project site 'Access to Drinking Water', in partnership with Coca Cola | Visit to the UNDP Mountain Agrobiodiversity Project |

| | Group 1 | Group 2 |
|---|---|---|
| **Friday, April 11** | | |
| | Media Briefing | |
| | Visit to the Centre for Obstetrics and Gynecology, Deputy Director Prof. Tatiana Kravtsova | Meeting with the Akimat officials, Department of Employment |
| | Meeting in the office of the Centre for Healthy Lifestyles development and with 2 NGOs, Prof Kazbek Tulebaev, NGO Medical and Pedagogical Association, Tamara Jusubalieva, Centre for Civil Initiatives, A. Kulmanova | Project visit |
| | Working lunch: UNIFEM, UNDP, UNFPA staff | |